



State Revolving Fund Loan Programs Drinking Water, Wastewater, Nonpoint Source

PRELIMINARY DECISION OF CATEGORICAL EXCLUSION

TO ALL INTERESTED CITIZENS, ORGANIZATIONS AND GOVERNMENT AGENCIES:

**TOWN OF NEW CHICAGO
PHASE 1 WATER DISTRIBUTION SYSTEM IMPROVEMENTS
SRF# DW 12 05 45 01**

Date: October 30, 2012

Pursuant to IC 4-4-11, the State Revolving Fund (SRF) Loan Program has determined that the project described here and in New Chicago's Preliminary Engineering Report for the Phase 1 Water Distribution System Improvement project will have no substantial negative environmental impact. Therefore, the SRF is issuing a preliminary decision of Categorical Exclusion from the requirements of substantive environmental review.

How were environmental issues considered?

The National Environmental Policy Act requires agencies disbursing Federal funds to include environmental factors in the decision making process. A summary of the project is attached for your review. The SRF's preliminary review has found that the proposed project does not require the preparation of either an Environmental Assessment or an Environmental Impact Statement.

Why is additional environmental review not required?

Our environmental review has concluded that significant environmental impacts will not result from the proposed action.

How do I submit comments?

Comments can be submitted to:

Max Henschen, Senior Environmental Manager
SRF Programs
317-232-8623; mhensche at ifa.in.gov

CATEGORICAL EXCLUSION

I. PROJECT IDENTIFICATION

Project Name and Address: Phase 1 Water Distribution System Improvements
Town of New Chicago
122 Huber Boulevard
Hobart, IN 46342

SRF Project Number: DW 12 05 45 01

Authorized Representative: Laurie Robbins, Town Council/Water Works President

II. PROJECT LOCATION

The project is located in Lake County and in the Portage 7.5' USGS quadrangle, T36N, R7W, sections 20 and 21; and in the Gary quadrangle, T36N, R7W, sections 19 and 20, as well as T36N, R8W, sections 23 and 24. See Figure 1.

III. PROJECT NEED AND PURPOSE

The Phase 1 project comprises replacement of water mains and installation of mains in new locations: specifically, the project proposes replacing approximately 34,200 feet of 6-inch diameter mains and 12,730 feet of 8-inch diameter mains and 5,060 feet of 12-inch diameter water mains with associated hydrants and valves. The project also proposes installing approximately 3,500 feet of 6-inch diameter mains and 9,800 feet of 8-inch diameter mains with all associated hydrants and valves in areas with no water mains. In addition, the project proposes installing approximately 150 feet of 8-inch diameter water main in a 24-inch casing pipe to be jacked and bored under the railroad at 37th Avenue east of New Jersey Street; installing approximately 355 feet of 12-inch diameter water main in a 24-inch diameter casing pipe by open cut construction at I-65 and 35th Avenue; installing a new supply water interconnect with Indiana American Water Company; and implementing telemetry system improvements throughout the distribution system.

The replacement water mains will eliminate undersized, internally corroded water mains to increase water flow and pressure. The new water main installation and railroad bore is necessary to provide better water quality, volume and increased water pressure. The I-65 and 35th Avenue water main installation is necessary to implement the interconnect with Indiana American Water Company, which will provide an alternate water supply source for the town during emergency situations. The telemetry system improvements are needed to improve the town's ability to monitor water system operations.

IV. ESTIMATED PROJECT COSTS, AFFORDABILITY AND FUNDING

A. Selected Plan Estimated Cost Summary

<u>Construction Items</u>	<u>Cost</u>
Water Distribution System Improvements	\$4,572,500
Telemetry System Improvements	<u>225,000</u>
Construction Sub-Total	\$4,797,500
Construction Contingency	<u>497,500</u>
Total Estimated Construction Cost	\$5,295,000
Non-construction costs*	<u>\$755,000</u>
Total Estimated Project Cost	\$6,050,000

*Non-construction cost include legal, financial, design engineering fees, construction engineering fees, construction permits and easement and land acquisition.

- B. To finance the project, New Chicago will borrow approximately \$6,000,000 through a 20-year State Revolving Fund (SRF) loan at a fixed interest rate to be determined at loan closing. Monthly user rates and charges may need to be analyzed to determine if adjustments are required for loan repayment. New Chicago will contribute approximately \$50,000 in local funds to fund the project.

V. ENVIRONMENTAL IMPACTS OF THE FEASIBLE ALTERNATIVES

New and replacement water mains will be installed in areas previously disturbed by construction activities. The project will not affect wetlands (see Figure 1), wooded areas, prime farmland, or endangered species. Boring under the railroad to connect to water mains on the northeast side of the tracks will avoid impacts to open land or wooded areas. Construction and operation of the project will not alter, demolish or remove historic properties; see figures 2a-d. If any visual or audible impacts to historic sites occur, they will be temporary and will not alter the characteristics that qualify such properties for inclusion in or eligibility for the National Register of Historic Places. The SRF's finding pursuant to the Section 106 of the National Historic Preservation Act is: "no historic properties affected."

VI. PUBLIC PARTICIPATION

A properly noticed public hearing was held on May 23, 2012 at 7pm at the Town Hall, 122 Huber Boulevard in Hobart. No written comments were received during the 5-day public comment period after the public hearing.

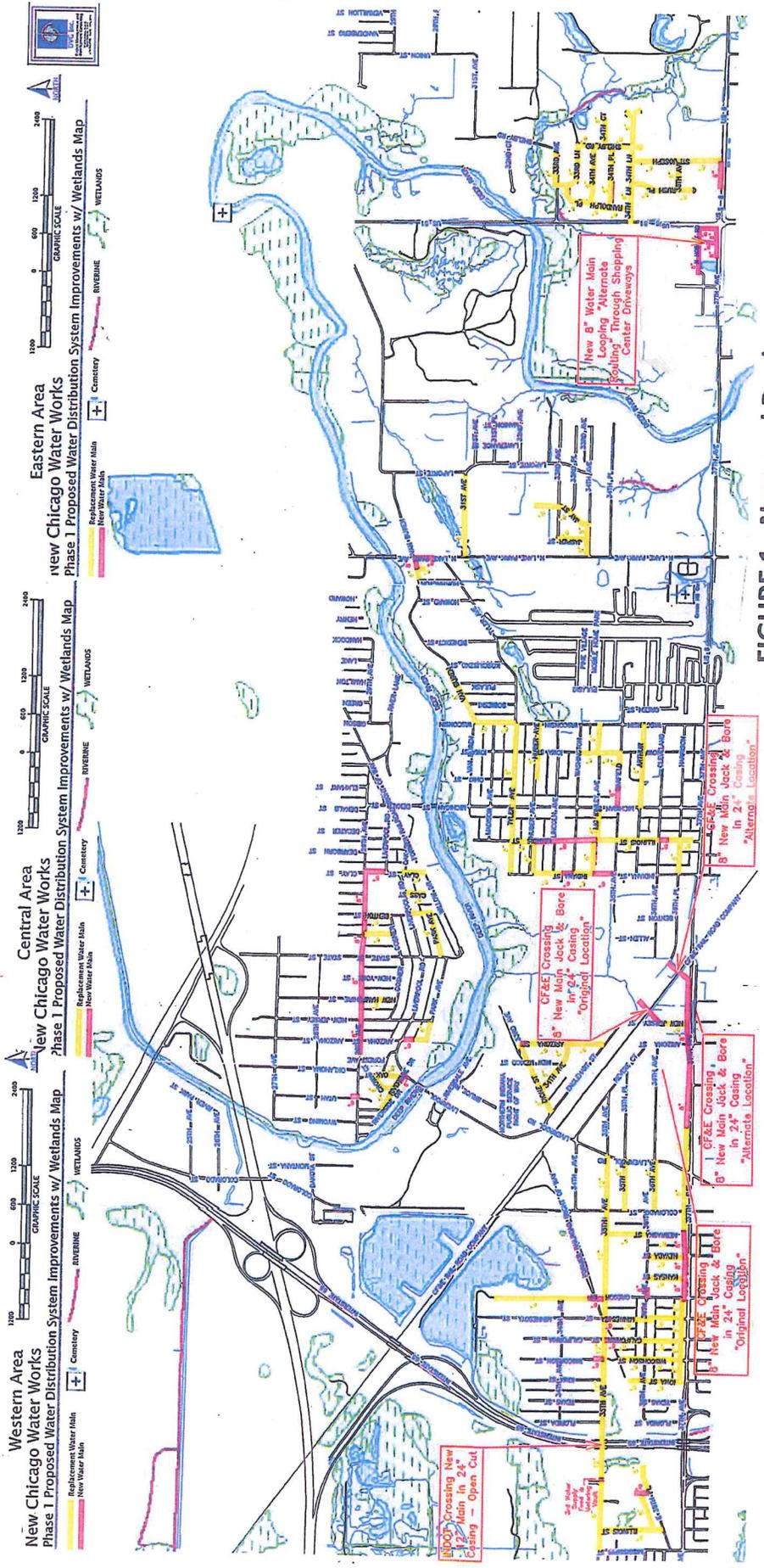
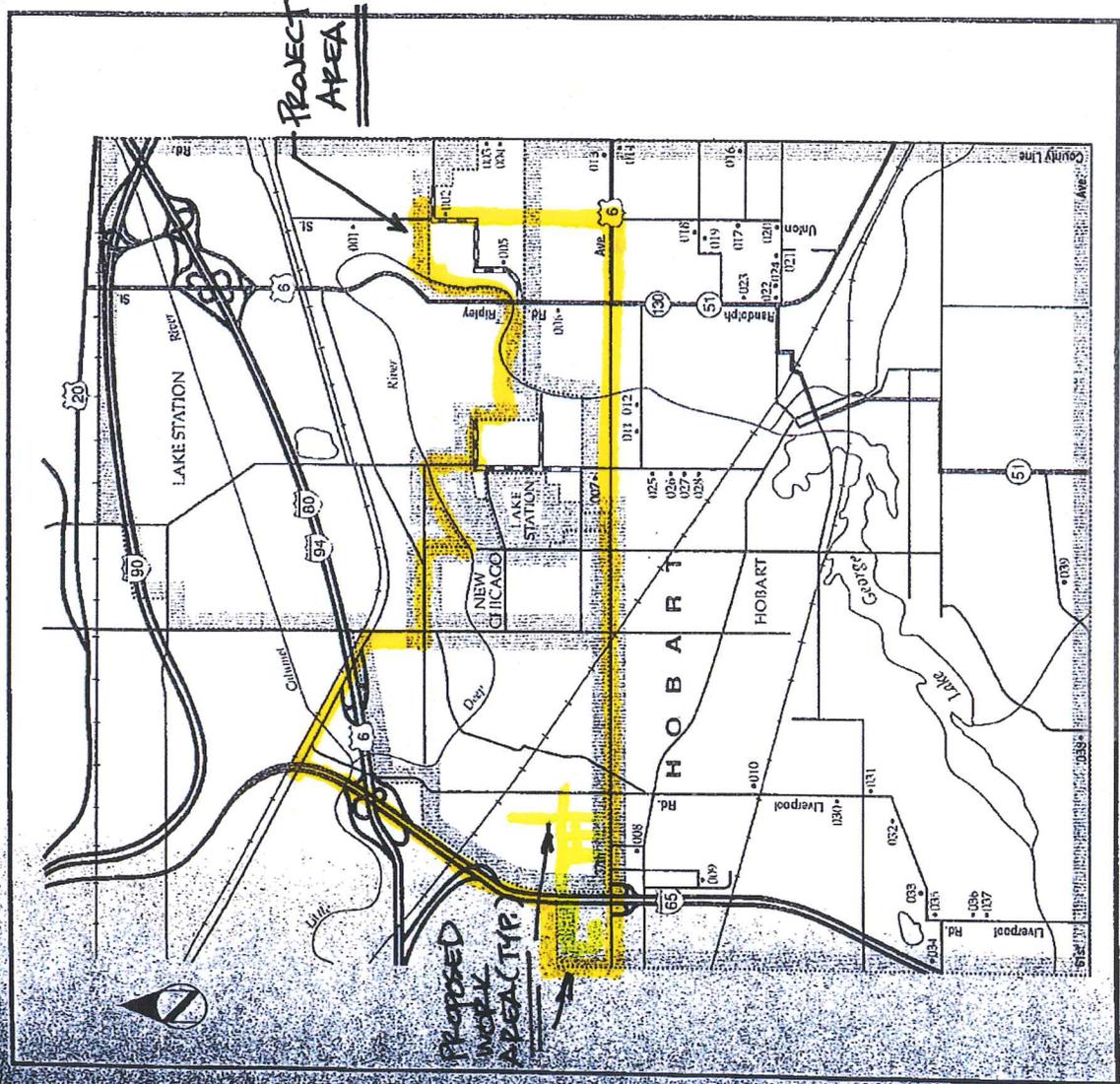


FIGURE 1: New and Replacement Water Mains
Phase I Distribution System Improvements

Hobart Township (00001-039)



Hobart Township is located in the northeast corner of Lake County. Organized in 1849, the township was named for the town of Hobart. Originally, the area was heavily timbered, however, as the land was cleared, its suitability for farming attracted many settlers to the area. Ready access to the Deep River, the township's primary waterway, also promoted settlement activity.

It was along the banks of the river that the township's first village was established. Liverpool was platted in 1836 by three investors who were attracted to the area by the river as well as access to timber. By the following year, two major stagecoach routes passed through Liverpool and in 1839, the county courthouse was built in town, although this designation was short lived. However, as the area's only community, Liverpool did develop as a shipping point for lumber and other goods from the surrounding region.

Just five miles east of Liverpool, George Earle built a dam across the Deep River and in 1846, he opened a sawmill and a gristmill. In 1847 Earle moved the post office from Liverpool to Hobart. A settlement grew around the mills, and in 1849, Earle platted the new town of Hobart. As Hobart steadily grew, Liverpool's fortunes declined until the village eventually faded away.

Few historic resources remain from the township's formative years. The farm at 4795 East 53rd Avenue (00034) is one of the few mid-nineteenth century farmsteads remaining in the area. The house on Randolph Street (00006) dates from 1849.

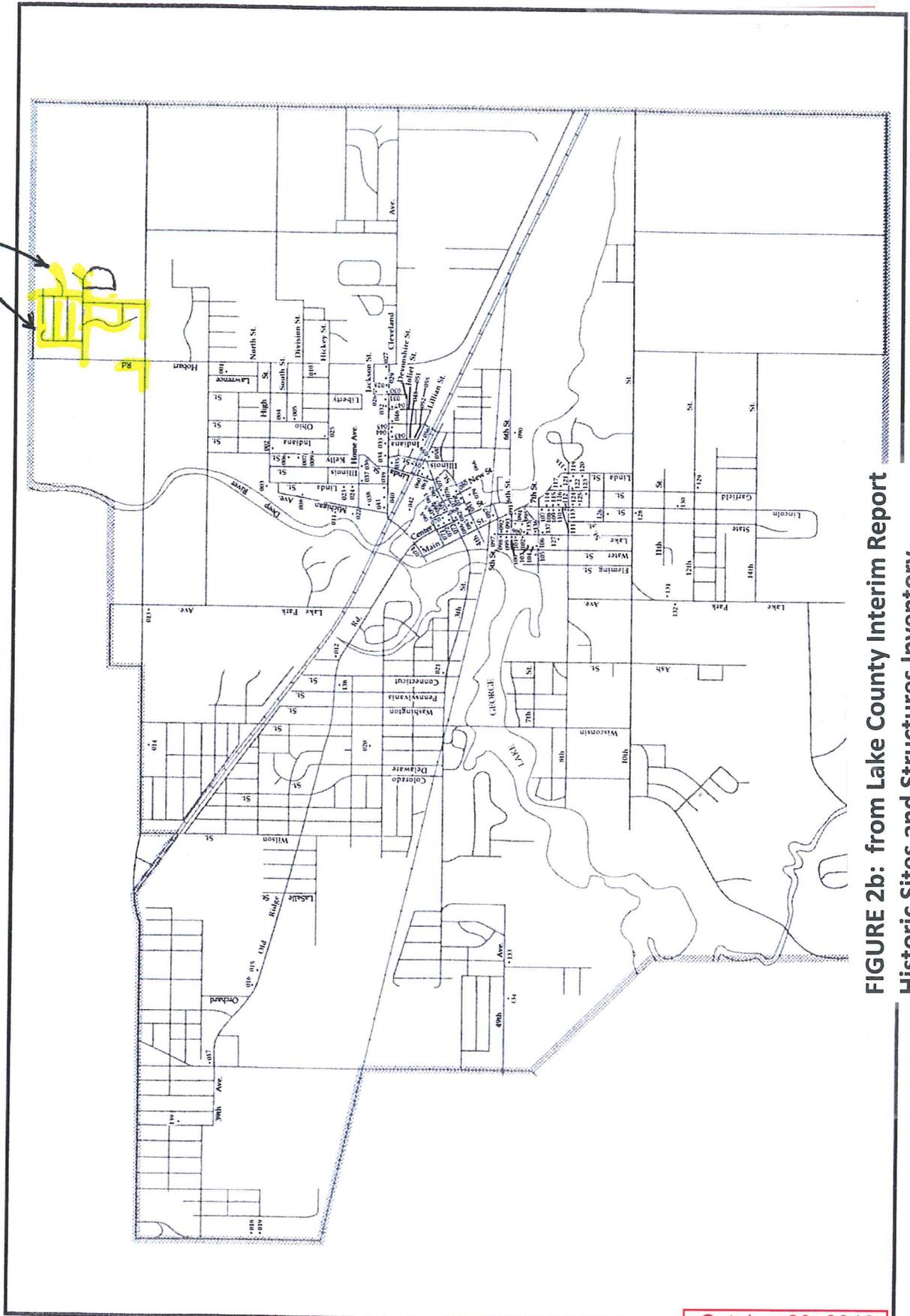
The opening of the first of three railroad lines through Hobart Township during the 1850s, had a major impact on the area's economy. The lines were not only responsible for the founding of new communities such as Lake Station, laid out in 1852, but these new transportation routes gave the township's farmers access to distant markets, including the lucrative Chicago area, where their crops and livestock were in demand.

October 23, 2012

FIGURE 2a: from Lake County Interim Report
Historic Sites and Structures Inventory

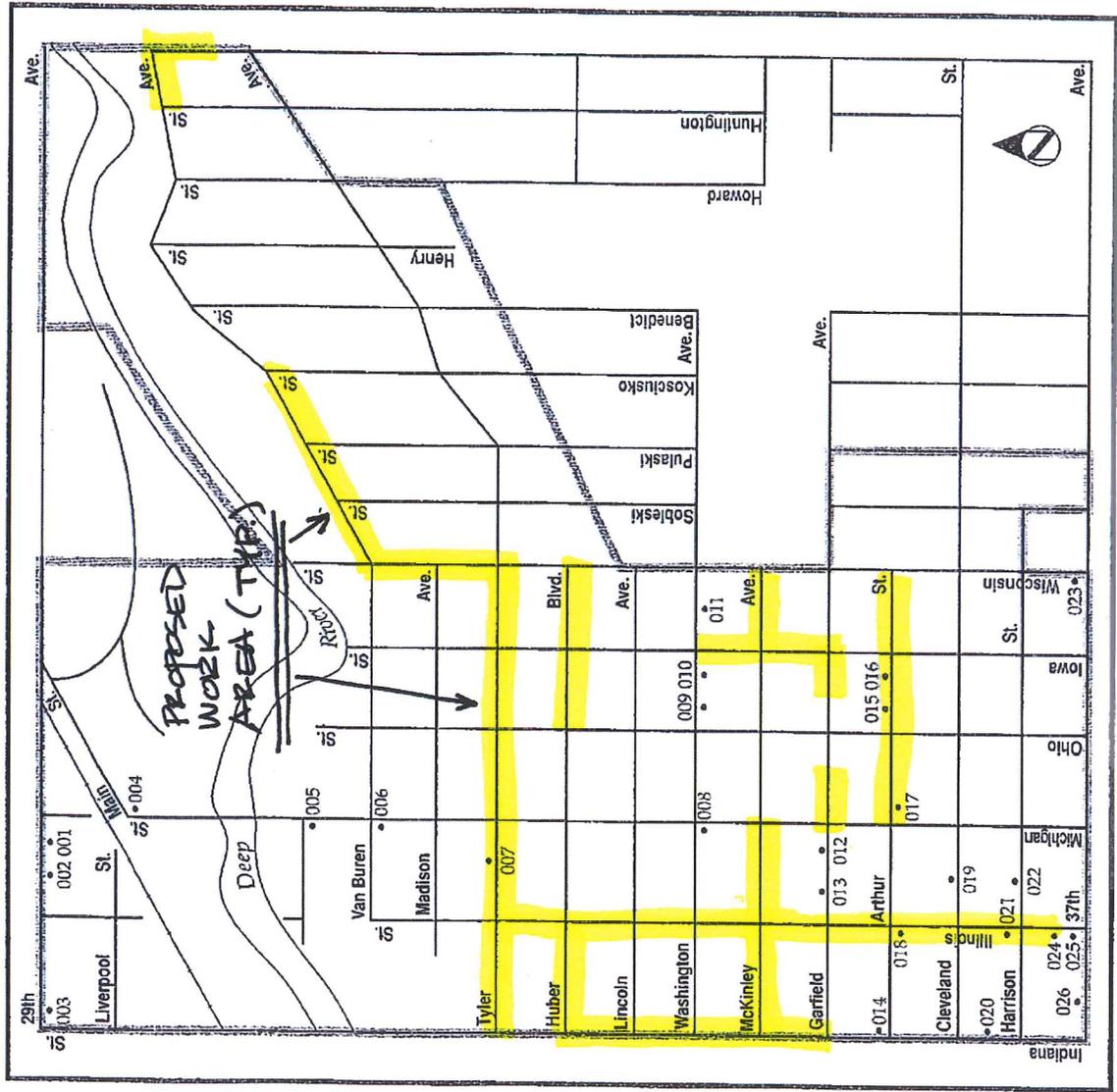
Hobart Scattered Sites (04001-139)

PROPOSED
WORK AREA (TYP.)



**FIGURE 2b: from Lake County Interim Report
Historic Sites and Structures Inventory**

New Chicago Scattered Sites (02001-026)



The small town of New Chicago is located in the center of Hobart Township, surrounded by the towns of Lake Station and Hobart. It was the announcement of plans to locate three new industries in the area, that gave impetus to the founding of the town. Although a post office was established there in 1907, the town was not formally platted until June of 1908.

Unfortunately, the industries, which included a brewery, a carbon works and an electric vehicle manufacturer, failed to prosper. However, New Chicago adapted to the losses and took advantage of the industrial boom which was occurring in the surrounding communities. With the construction of the area's extensive streetcar system, the town attracted factory and other blue-collar workers who were drawn to New Chicago's quiet, small town atmosphere.

New Chicago's residential architecture is modest in scale, reflecting the area's working-class heritage. Examples of the bungalow style include the house at 3112 Michigan Street (02005), and the two houses at 3644 and 3650 Illinois Street (02024,02025). The houses at 631 and 633 East 29th Avenue (02001, 02002) are more elaborate in design.

The town's only remaining public structure is the New Chicago School (02007) which now serves as the town hall.

No.	Rtg.	Description
001	N	House, 631 E. 29th Avenue; Craftsman Bungalow, c.1915; Architecture (232)
002	N	House, 633 E. 29th Avenue; Craftsman Bungalow, c.1915; Architecture (232)
003	C	House, 2901 Clay Street; Bungalow, c.1925; Architecture (232)

FIGURE 2c: from Lake County Interim Report
Historic Sites and Structures Inventory

